



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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### **Alabama and Georgia Residents Sentenced to Prison for Involvement in Stolen Identity Tax Refund Fraud Scheme**

Two men who conspired to file more than 1,200 false tax returns using stolen identities were sentenced to prison today, announced Acting Assistant Attorney General Caroline D. Ciralo of the Justice Department's Tax Division and U.S. Attorney George L. Beck Jr. of the Middle District of Alabama.

Ernest James Simmons Jr., 29, of Phenix City, Alabama, was sentenced to 24 months and 15 days in prison followed by five months of home detention and Calvin J. Perry, 28, of Atlanta, Georgia, was sentenced to 32 months in prison. Simons and Perry each pleaded guilty in December 2015 to one count of conspiracy to defraud the government with respect to filing false income tax refund claims and one count of aggravated identity theft.

According to court documents and evidence presented at the sentencing hearing, between 2010 and 2012, Simmons and Perry conspired with Perry's mother, Pamela Ann Smith, to run a large-scale stolen identity refund fraud scheme from Smith's tax return preparation business, Jaycal Tax Service, in Phenix City. Smith recruited her son Perry, and Perry's friend, Simmons, to participate in the scheme. As part of the conspiracy, Smith, Perry and Simmons opened multiple bank accounts and post office boxes. They filed more than 1,200 federal income tax returns using the stolen personal identification information of actual individuals, which included their names and social security numbers. Simmons was directly connected to false returns claiming more than \$700,000 in fraudulent refunds and Perry was directly connected to false returns claiming over \$1 million in fraudulent refunds. U.S. Treasury checks were mailed to physical addresses and post office boxes and then deposited into multiple bank accounts, all under the control of Simmons, Perry and Smith. Perry personally obtained more than \$300,000 and Simmons personally obtained more than \$150,000, from the scheme.

In addition to the prison term, U.S. District Judge Myron H. Thompson ordered Perry

and Simmons each to serve three years of supervised release. Perry was also ordered to pay restitution in the amount of \$308,152 and Simmons was ordered to pay restitution in the amount of \$167,194. In February, Smith was [sentenced](#) to serve 51 months in prison after pleading guilty for her role in the scheme.

Acting Assistant Attorney General Ciruolo and U.S. Attorney Beck commended special agents of Internal Revenue Service—Criminal Investigation, who investigated the case and Trial Attorneys Gregory P. Bailey, Michael C. Boteler and Robert J. Boudreau of the Tax Division and Assistant U.S. Attorney Jonathan Ross of the Middle District of Alabama, who prosecuted the case.

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